

132.010 Definitions for chapter.

As used in this chapter, unless the context otherwise requires:

- (1) "Department" means the Department of Revenue;
- (2) "Taxpayer" means any person made liable by law to file a return or pay a tax;
- (3) "Real property":
 - (a) Means all lands within this state and improvements thereon; and
 - (b) Includes but is not limited to mains, pipes, pipelines, and conduits that are:
 1. Authorized to be installed in, upon, or under any public or private street or place; and
 2. Used or to be used for or in connection with the collection, transmission, distribution, conducting, sale, or furnishing of heat, steam, water, sewage, natural or manufactured gas, or electricity to or for the public;
- (4) "Personal property" means every species and character of property, tangible and intangible, other than real property;
- (5) "Resident" means any person who has taken up a place of abode within this state with the intention of continuing to abide in this state; any person who has had his or her actual or habitual place of abode in this state for the larger portion of the twelve (12) months next preceding the date as of which an assessment is due to be made shall be deemed to have intended to become a resident of this state;
- (6) "Compensating tax rate" means that rate which, rounded to the next higher one-tenth of one cent (\$0.001) per one hundred dollars (\$100) of assessed value and applied to the current year's assessment of the property subject to taxation by a taxing district, excluding new property and personal property, produces an amount of revenue approximately equal to that produced in the preceding year from real property. However, in no event shall the compensating tax rate be a rate which, when applied to the total current year assessment of all classes of taxable property, produces an amount of revenue less than was produced in the preceding year from all classes of taxable property. For purposes of this subsection, "property subject to taxation" means the total fair cash value of all property subject to full local rates, less the total valuation exempted from taxation by the homestead exemption provision of the Constitution and the difference between the fair cash value and agricultural or horticultural value of agricultural or horticultural land;
- (7) "Net assessment growth" means the difference between:
 - (a) The total valuation of property subject to taxation by the county, city, school district, or special district in the preceding year, less the total valuation exempted from taxation by the homestead exemption provision of the Constitution in the current year over that exempted in the preceding year; and
 - (b) The total valuation of property subject to taxation by the county, city, school district, or special district for the current year;
- (8) "New property" means the net difference in taxable value between real property additions and deletions to the property tax roll for the current year. "Real property additions" shall mean:
 - (a) Property annexed or incorporated by a municipal corporation, or any other

taxing jurisdiction; however, this definition shall not apply to property acquired through the merger or consolidation of school districts, or the transfer of property from one (1) school district to another;

- (b) Property, the ownership of which has been transferred from a tax-exempt entity to a nontax-exempt entity;
- (c) The value of improvements to existing nonresidential property;
- (d) The value of new residential improvements to property;
- (e) The value of improvements to existing residential property when the improvement increases the assessed value of the property by fifty percent (50%) or more;
- (f) Property created by the subdivision of unimproved property, provided, that when the property is reclassified from farm to subdivision by the property valuation administrator, the value of the property as a farm shall be a deletion from that category;
- (g) Property exempt from taxation, as an inducement for industrial or business use, at the expiration of its tax exempt status;
- (h) Property, the tax rate of which will change, according to the provisions of KRS 82.085, to reflect additional urban services to be provided by the taxing jurisdiction, provided, however, that the property shall be considered "real property additions" only in proportion to the additional urban services to be provided to the property over the urban services previously provided; and
- (i) The value of improvements to real property previously under assessment moratorium.

"Real property deletions" shall be limited to the value of real property removed from, or reduced over the preceding year on, the property tax roll for the current year;

- (9) "Agricultural land" means:
 - (a) Any tract of land, including all income-producing improvements, of at least ten (10) contiguous acres in area used for the production of livestock, livestock products, poultry, poultry products and/or the growing of tobacco and/or other crops including timber;
 - (b) Any tract of land, including all income-producing improvements, of at least five (5) contiguous acres in area commercially used for aquaculture; or
 - (c) Any tract of land devoted to and meeting the requirements and qualifications for payments pursuant to agriculture programs under an agreement with the state or federal government;
- (10) "Horticultural land" means any tract of land, including all income-producing improvements, of at least five (5) contiguous acres in area commercially used for the cultivation of a garden, orchard, or the raising of fruits or nuts, vegetables, flowers, or ornamental plants;
- (11) "Agricultural or horticultural value" means the use value of "agricultural or horticultural land" based upon income-producing capability and comparable sales of farmland purchased for farm purposes where the price is indicative of farm use

value, excluding sales representing purchases for farm expansion, better accessibility, and other factors which inflate the purchase price beyond farm use value, if any, considering the following factors as they affect a taxable unit:

- (a) Relative percentages of tillable land, pasture land, and woodland;
 - (b) Degree of productivity of the soil;
 - (c) Risk of flooding;
 - (d) Improvements to and on the land that relate to the production of income;
 - (e) Row crop capability including allotted crops other than tobacco;
 - (f) Accessibility to all-weather roads and markets; and
 - (g) Factors which affect the general agricultural or horticultural economy, such as: interest, price of farm products, cost of farm materials and supplies, labor, or any economic factor which would affect net farm income;
- (12) "Deferred tax" means the difference in the tax based on agricultural or horticultural value and the tax based on fair cash value;
- (13) "Homestead" means real property maintained as the permanent residence of the owner with all land and improvements adjoining and contiguous thereto including but not limited to lawns, drives, flower or vegetable gardens, outbuildings, and all other land connected thereto;
- (14) "Residential unit" means all or that part of real property occupied as the permanent residence of the owner;
- (15) "Special benefits" are those which are provided by public works not financed through the general tax levy but through special assessments against the benefited property;
- (16) "Manufactured home" means a structure manufactured after June 15, 1976, in accordance with the National Manufactured Housing Construction and Safety Standards Act, transportable in one (1) or more sections, which when erected on site measures eight (8) body feet or more in width and thirty-two (32) body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation, when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. It may be used as a place of residence, business, profession, or trade by the owner, lessee, or their assignees and may consist of one (1) or more units that can be attached or joined together to comprise an integral unit or condominium structure;
- (17) "Mobile home" means a structure manufactured on or before June 15, 1976, that was not required to be constructed in accordance with the National Manufactured Housing Construction and Safety Standards Act, transportable in one (1) or more sections, which when erected on site measures eight (8) body feet or more in width and thirty-two (32) body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation, when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. It may be used as a place of residence, business, profession, or trade by the owner, lessee, or their assigns and may consist of one (1) or more units that can be attached or joined

together to comprise an integral unit or condominium structure;

- (18) "Modular home" means a structure which is certified by its manufacturer as being constructed in accordance with all applicable provisions of the Kentucky Building Code and standards adopted by the local authority which has jurisdiction, transportable in one (1) or more sections, and designed to be used as a dwelling on a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein;
- (19) "Prefabricated home" means a manufactured home, a mobile home, or a modular home;
- (20) "Recreational vehicle" means a vehicular type unit primarily designed as temporary living quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle. The basic entities are: travel trailer, camping trailer, truck camper, and motor home. As used in this subsection:
 - (a) "Travel trailer" means a vehicular unit, mounted on wheels, designed to provide temporary living quarters for recreational, camping, or travel use, and of a size or weight that does not require special highway movement permits when drawn by a motorized vehicle, and with a living area of less than two hundred twenty (220) square feet, excluding built-in equipment (such as wardrobes, closets, cabinets, kitchen units or fixtures) and bath and toilet rooms;
 - (b) "Camping trailer" means a vehicular portable unit mounted on wheels and constructed with collapsible partial side walls which fold for towing by another vehicle and unfold at the camp site to provide temporary living quarters for recreational, camping, or travel use;
 - (c) "Truck camper" means a portable unit constructed to provide temporary living quarters for recreational, travel, or camping use, consisting of a roof, floor, and sides, designed to be loaded onto and unloaded from the bed of a pick-up truck; and
 - (d) "Motor home" means a vehicular unit designed to provide temporary living quarters for recreational, camping, or travel use built on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van which is an integral part of the completed vehicle;
- (21) "Hazardous substances" shall have the meaning provided in KRS 224.1-400;
- (22) "Pollutant or contaminant" shall have the meaning provided in KRS 224.1-400;
- (23) "Release" shall have the meaning as provided in either or both KRS 224.1-400 and KRS 224.60-115;
- (24) "Qualifying voluntary environmental remediation property" means real property subject to the provisions of KRS 224.1-400 and 224.1-405, or 224.60-135 where the Energy and Environment Cabinet has made a determination that:
 - (a) All releases of hazardous substances, pollutants, contaminants, petroleum, or petroleum products at the property occurred prior to the property owner's acquisition of the property;
 - (b) The property owner has made all appropriate inquiry into previous ownership

and uses of the property in accordance with generally accepted practices prior to the acquisition of the property;

- (c) The property owner or a responsible party has provided all legally required notices with respect to hazardous substances, pollutants, contaminants, petroleum, or petroleum products found at the property;
 - (d) The property owner is in compliance with all land use restrictions and does not impede the effectiveness or integrity of any institutional control;
 - (e) The property owner complied with any information request or administrative subpoena under KRS Chapter 224; and
 - (f) The property owner is not affiliated with any person who is potentially liable for the release of hazardous substances, pollutants, contaminants, petroleum, or petroleum products on the property pursuant to KRS 224.1-400, 224.1-405, or 224.60-135, through:
 - 1. Direct or indirect familial relationship;
 - 2. Any contractual, corporate, or financial relationship, excluding relationships created by instruments conveying or financing title or by contracts for sale of goods or services; or
 - 3. Reorganization of a business entity that was potentially liable;
- (25) "Intangible personal property" means stocks, mutual funds, money market funds, bonds, loans, notes, mortgages, accounts receivable, land contracts, cash, credits, patents, trademarks, copyrights, tobacco base, allotments, annuities, deferred compensation, retirement plans, and any other type of personal property that is not tangible personal property;
- (26) (a) "County" means any county, consolidated local government, urban-county government, unified local government, or charter county government;
- (b) "Fiscal court" means the legislative body of any county, consolidated local government, urban-county government, unified local government, or charter county government; and
- (c) "County judge/executive" means the chief executive officer of any county, consolidated local government, urban-county government, unified local government, or charter county government;
- (27) "Taxing district" means any entity with the authority to levy a local ad valorem tax, including special purpose governmental entities;
- (28) "Special purpose governmental entity" shall have the same meaning as in KRS 65A.010, and as used in this chapter shall include only those special purpose governmental entities with the authority to levy ad valorem taxes, and that are not specifically exempt from the provisions of this chapter by another provision of the Kentucky Revised Statutes;
- (29) (a) "Broadcast" means the transmission of audio, video, or other signals, through any electronic, radio, light, or similar medium or method now in existence or later devised over the airwaves to the public in general.
- (b) "Broadcast" shall not apply to operations performed by multichannel video programming service providers as defined in KRS 136.602 or any other

operations that transmit audio, video, or other signals, exclusively to persons for a fee;

- (30) "Livestock" means cattle, sheep, swine, goats, horses, alpacas, llamas, buffaloes, and any other animals of the bovine, ovine, porcine, caprine, equine, or camelid species;
- (31) "Heavy equipment rental agreement" means the short-term rental contract under which qualified heavy equipment is rented without an operator for a period:
 - (a) Not to exceed three hundred sixty-five (365) days; or
 - (b) That is open-ended under the terms of the contract with no specified end date;
- (32) "Heavy equipment rental company" means an entity that is primarily engaged in a line of business described in Code 532412 or 532310 of the North American Industry Classification System Manual in effect on January 1, 2019;
- (33) "Qualified heavy equipment" means machinery and equipment, including ancillary equipment and any attachments used in conjunction with the machinery and equipment, that is:
 - (a) Primarily used and designed for construction, mining, forestry, or industrial purposes, including but not limited to cranes, earthmoving equipment, well-drilling machinery and equipment, lifts, material handling equipment, pumps, generators, and pollution-reducing equipment; and
 - (b) Held in a heavy equipment rental company's inventory for:
 - 1. Rental under a heavy equipment rental agreement; or
 - 2. Sale in the regular course of business;
- (34) "Veteran service organization" means an organization wholly dedicated to advocating on behalf of military veterans and providing charitable programs in honor and on behalf of military veterans;
- (35) "Government restriction on use" means a limitation on the use of at least fifty percent (50%) of the individual dwelling units of a multi-unit rental housing in order to receive a federal or state government incentive based on low-income renter restrictions, including the following government incentives:
 - (a) A tax credit under Section 42 of the Internal Revenue Code;
 - (b) Financing derived from exempt facility bonds for qualified residential rental projects under Section 142 of the Internal Revenue Code;
 - (c) A low-interest loan under Section 235 or 236 of the National Housing Act or Section 515 of the Housing Act of 1949;
 - (d) A rent subsidy;
 - (e) A guaranteed loan;
 - (f) A grant; or
 - (g) A guarantee;
- (36) "Low income" means earning at or below eighty percent (80%) of the area median income as defined by the United States Department of Housing and Urban Development for the location of the multi-unit rental housing; and
- (37) "Multi-unit rental housing" means residential property or project consisting of four

(4) or more individual dwelling units and does not include:

- (a) Assisted living facilities; or
- (b) Duplexes or single-family units unless they are included as part of a larger property that is subject to government restriction on use.

Effective: June 27, 2025

History: Amended 2025 Ky. Acts ch. 98, sec. 4, effective June 27, 2025. -- Amended 2024 Ky. Acts ch. 200, sec. 3, effective April 17, 2024. -- Amended 2023 Ky. Acts ch. 92, sec. 50, effective March 24, 2023. -- Amended 2022 Ky. Acts ch. 212, sec. 47, effective July 14, 2022. -- Amended 2021 Ky. Acts ch. 156, sec. 34, effective June 29, 2021. -- Amended 2019 Ky. Acts ch. 151, sec. 8, effective June 27, 2019. -- Amended 2017 Ky. Acts ch. 129, sec. 2, effective June 29, 2017. -- Amended 2013 Ky. Acts ch. 40, sec. 86, effective March 21, 2013; and ch. 119, sec. 6, effective January 1, 2014. -- Amended 2010 Ky. Acts ch. 24, sec. 96, effective July 15, 2010; and ch. 95, sec. 1, effective July 15, 2010. -- Amended 2007 Ky. Acts ch. 100, sec. 1, effective June 26, 2007. -- Amended 2005 Ky. Acts ch. 85, sec. 169, effective June 20, 2005; and ch. 168, sec. 54(18) effective January 1, 2005, and sec. 54(19), effective January 1, 2006. -- Amended 2002 Ky. Acts ch. 198, sec. 1, effective July 15, 2002. -- Amended 1994 Ky. Acts ch. 263, sec. 2, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 397, sec. 1, effective July 14, 1992. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 306, effective July 13, 1990. -- Amended 1984 Ky. Acts ch. 111, sec. 72, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 327, sec. 5, effective July 15, 1982; and ch. 395, sec. 1, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 319, sec. 1, effective July 15, 1980. -- Amended 1979 (1st Extra. Sess.) Ky. Acts ch. 25, sec. 1, effective February 13, 1979. -- Amended 1976 Ky. Acts ch. 315, sec. 1. -- Amended 1972 Ky. Acts ch. 285, sec. 1. -- Amended 1970 Ky. Acts ch. 249, sec. 1. -- Amended 1965 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 11. -- Amended 1964 Ky. Acts ch. 141, sec. 39. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4114h-1, 4020a-1, 4022.

Legislative Research Commission Note (6/27/2025). 2025 Ky. Acts ch. 98, sec. 38, reads as follows:

"A claim for refund or credit of a tax overpayment for any taxable period made by an amended return, tax refund application, or any other method on or after the effective date of this Act [June 27, 2025], and based on the amendments to subsection (3) of Section 4 of this Act [this statute] or subsection (3) of Section 5 of this Act [KRS 136.010], shall not be recognized for any purpose."

Legislative Research Commission Note (6/27/2025). 2025 Ky. Acts ch. 98, sec. 39, provides that the amendments to this statute and KRS 136.010 in that Act shall apply retroactively to property assessed on or after December 31, 2022.

Legislative Research Commission Note (7/14/2022). 2022 Ky. Acts ch. 212, sec. 69, provides that the amendments made to this statute shall apply to property assessed on or after January 1, 2023.

Legislative Research Commission Note (1/1/2014). 2013 Ky. Acts ch. 119, sec. 26, provides that the amendments to this statute in 2013 Ky. Acts ch. 119, sec. 6, shall apply to property assessed on or after January 1, 2014.

Legislative Research Commission Note (7/15/2010). Under the authority of KRS 7.136, the Reviser of Statutes has corrected manifest clerical or typographical errors by inserting "a" before the first occurrence of "charter county government" and "the" before "legislative body" and "chief executive officer" in subsection (23) of this section.

Legislative Research Commission Note (6/26/2007). A manifest clerical or typographical error in subsection (21)(f)2. has been corrected by the Reviser of Statutes under the authority of KRS 7.136.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts ch. 168, sec. 170, provided: "Subsection (18) of Section 54 of this Act, relating to property tax changes, take[s] effect January 1, 2006. Subsection (19) of Section 54 of this Act, relating to the voluntary environmental remediation credit, takes effect January 1, 2005." Because of the order in which the subsections become effective, the Statute Reviser, under the authority of KRS 7.136, has codified subsection (18) of Section 54, relating to property tax changes, as KRS 132.010(19), and subsection (19) of Section 54, relating to the voluntary remediation credit, as KRS 132.010(18).